REMARKS

Claims 1-7, and 9-13 remain pending. Claims 1, 2, 3, 9, 10, 13 have been amended herein to have correct antecedent basis for each term used, and to more clearly refer to "committed" transactions that have previously bought an item. No new matter has been added.

1. The Examiner's Rejections

The examiner has rejected claims 1-3, 5-7, 9, 10, 12, and 13 under 35 USC 102(e) as being anticipated by Fergerson et al (US 5, 966,697). The examiner has rejected claims 4 and 11 under 35 USC 103(a) as being unpatentable over Fergerson et al (US 5,966,697) in view of Walker et al (US 6,249,772).

Applicant is surprised with these rejections by the examiner. As memorialized in Applicant's Supplemental Amendment filed 12-09-2002, it was conveyed to Applicant in a telephone call from the examiner that the claims were patentable over the art (which included Fergerson since it had been cited and relied upon by the examiner). The examiner only had issue with the form of the claim which was addressed in the Supplemental Amendment.

In the previous Office Action, dated 7/3/2002, the examiner correctly admitted that:

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- i) Fergerson et al "do not specifically teach having one of the plurality of selectable states indicate that the buyer desires to purchase a desired item from a first merchant if a previous transaction which bought another item from a second merchant can be canceled" (page 3);
- ii) Fergerson et al "do not specifically teach communicating to the certain merchant, a condition indicating that the buyer desire to purchase the desired item if a previous transaction which bought another item from another merchant can be canceled." (page 4); and
- iii) Fergerson et al "do not specifically teach a means for conditioning the selection of a desired item on if a previous transaction which bought another item from another merchant can be canceled." (page 7).

As originally admitted by the Examiner, Fergerson does not teach or suggest each and every element of Applicant's claimed invention. As such, the rejection under 35 USC 102(e) should be withdrawn.

More specifically, in this current Office Action dated 12/17/2002, at page 3 with respect to claim 1, the examiner now states that Fergerson teaches "wherein a certain one of the plurality of selectable states indicates that the buyer desires to purchase a desired item from a first merchant if a previous transaction which bought another item from a second merchant can be canceled (col 2, lines 32-41; col 8, lines 29-34; col 9, lines 42-46; col 13, lines 60-67; and Figs. 9A and 9F). The examiner is now in error. There is no teaching in Fergerson of a selectable state that indicates that the buyer desires to purchase AUS990886US1

a desired item if a previous transaction which bought another item from a second merchant can be canceled. None of the items in the shopping cart of Fergerson have been "bought" yet. Fergerson merely allows unbought items from different merchants to be moved in and out of the shopping cart, before "checking out" (see column 2, lines 33-34). (See also, column 2, line 40 "This process continues until the user requests to check out.") There is not a selectable state that indicates a condition based upon a "previous transaction which bought another item". Applicant has made this more clear in the claims by amending the claims to emphasize a "previous committed transaction which bought another item from a second merchant". This is not taught by Fergerson. Since Fergerson does not teach or suggest this certain one of the plurality of selectable states, Fergerson also does not teach selecting one of the displayed separate representations to have this certain selectable state.

As shown above, Fergerson does not teach or suggest each and every element of Applicant's claimed invention. For the same rationale as discussed above with respect to claim 1, claim 2 is not taught nor suggested by Fergerson. Since claims 3, 4, 5, 6, 7 depend ultimately from claim 2, claims 3, 4, 5, 6, 7 are not taught or suggested by Fergerson. For the same rationale as discussed above with respect to claim 1, claims 9 and 13 are not taught nor suggested by Fergerson. Since claims 10, 11, and 12 depend ultimately from claim 9, claims 10, 11, and 12 are not taught or suggested by Fergerson.

Therefore, the rejection under 35 USC 102(e) should be withdrawn.

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Furthermore, the rejection of claims 4 and 11 under 35 USC 103 should be withdrawn since claims 4 and 11 depend from claims 2 and 9 respectively which have been shown above not to have been taught or suggested by the art.

2. The Examiner's Response to Arguments

On pages 8-11 of the present Office Action dated 12/17/2002, the Examiner responds to Applicant's previous arguments.

The examiner states that the examiner disagrees with Applicant's argument that Fergerson does not teach a state that indicates a buyer desires to select an item if she can cancel a transaction with a different merchant. The examiner's support for disagreement is flawed because Fergerson does not allow items to be canceled that have been "bought" from a previous "committed" transaction. As the examiner states, the items are displayed in the shopping cart table of Fig. 9B after the items have been "selected" for purchase. However, none of the items have yet been purchased. So the examiner's first point "Thus, Fergerson teaches a state that indicates whether a buyer desires to purchase an item" falls far short of teaching or suggesting Applicant's claimed invention of "indicating that the buyer desires to purchase the desired item if a previous committed transaction which bought another item from another merchant can be canceled." Applicant's claimed state indicates more than just a desire to purchase an item.

The examiner's second point "Fergerson teaches that the buyer's decision to purchase an item at checkout may be conditioned on the ability to cancel a previous AUS990886US1 11

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transaction" also falls far short of Applicant's claimed invention. The examiner's reference to "transaction" is not a "committed" transaction which "bought" another item, as claimed in Applicant's claimed invention. Likewise, Fergerson's order review function which permits the customer to add and remove items from the shopping cart does not indicate a desire to purchase an item if a previous committed transaction which bought another item can be canceled.

In view of the foregoing, withdrawal of the rejections and the allowance of the current pending claims is respectfully requested. If the Examiner feels that the pending claims could be allowed with minor changes, the Examiner is invited to telephone the undersigned to discuss an Examiner's Amendment.

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Respectfully submitted,

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